



PULPWOOD PRICES IN THE SOUTHEAST, 1970

ABSTRACT. --Prices paid for roundwood in 1970 averaged \$21.10 per cord for softwood and \$17.15 per cord for hardwood. Prices paid for chips averaged \$8.75 per ton for softwood and \$6.70 for hardwood.

Average prices paid for pulpwood bolts continued to increase during 1970. Softwood roundwood prices increased about 1 percent; however, hardwood roundwood increased 4.9 percent (table 1). Although hardwood prices increased more in 1970 than softwood prices, a difference of about \$4.00 per cord still exists as it has for several years. Prices paid for pulpwood bolts trucked directly to mills averaged 2 to 4 percent more than rail and yard wood during 1970; this compares with an average of 6 to 9 percent over the past 5 years.

Prices paid for green softwood chips averaged \$8.75 per ton during 1970, an increase of 3.5 percent over 1969. Hardwood chip prices were \$6.70 per ton during this same period, a decrease of 0.7 percent (table 2). Although small, this is the first decrease in chip prices in the past 8 years. Chips comprised over 17 percent of the total pulpwood receipts during 1970. The percentage of chips to total pulpwood purchased has remained about the same since 1968.

Expenditures for pulpwood in the Southeast increased 5.2 percent during 1970, from \$410.4 million to \$431.7 million (table 3). Volume of pulpwood purchased increased by 3.1 percent during the same period. Expenditures for softwood were up 5.6 percent to \$359.1 million, and hardwood expenditures were up 3.3 percent to \$72.6 million. Volume of softwood purchased increased 4.0 percent but hardwood decreased by 0.2 percent during 1970.

There has been little change in the delivery points of pulpwood bolts in the last 5 years. Approximately one-third of pulpwood bolts were trucked directly to the mill; the remaining two-thirds were received at outlying woodyards and rail sidings (table 4).

All 1970 figures are based on reports from mills which collectively received about 69 percent of total pulpwood receipts in the Southeast.

Table 1.--Average prices for rough pulpwood in the Southeast, 1970^{1/}

(Dollars per standard cord, including bark)

Kind of wood	Year		Percent change
	1969	1970	
Softwood:			
Rail & yard wood ^{2/}	20.45	21.80	+2.14
All wood ^{4/}	20.90	21.10	+1.0
Hardwood:			
Rail & yard wood ^{2/}	15.85	16.80	+6.0
Truck wood ^{3/}	17.10	17.55	+2.6
All wood ^{4/}	16.35	17.15	+4.9

^{1/} Prices are rounded to nearest 5 cents.

^{2/} F.o.b. railroad at spur or siding or delivered to mechanized pulpwood yard other than millyard.

^{3/} Delivered to pulpmill.

^{4/} Weighted average of all pricing points.

Table 2.--Average prices for green chips in the Southeast, 1970^{1/}

(Dollars per ton)

Kind of wood	Year		Percent change
	1969	1970	
Softwood	8.45	8.75	+3.5
Hardwood	6.75	6.70	-0.7

^{1/} Prices rounded to the nearest 5 cents.

Table 3.--Expenditures for pulpwood in the Southeast during 1970, and change since 1969

Kind of wood	Year		Change
	1969	1970	
	Million	dollars	Percent
Softwood:			
Roundwood	283.1	301.4	+ 6.5
Chips	55.2	55.9	+ 1.3
Other residues	1.8	1.8	--
Total	340.1	359.1	+ 5.6
Hardwood:			
Roundwood	57.6	58.1	+ 0.9
Chips	12.2	14.2	+16.4
Other residues	0.5	0.3	-40.0
Total	70.3	72.6	+ 3.3
All species:			
Roundwood	340.7		+ 5.5
Chips	67.4	359.5 70.1	+ 4.0
Other residues	2.3	2.1	- 8.7
Total	410.4	431.7	+ 5.2

Table 4.--Rough pulpwood receipts in the Southeast, by points of delivery, 1969-1970

Points of delivery	Year	
	1969	1970
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	<u>Percent</u>	
Softwood:		
Rail sidings & woodyards	66	67
Millyards	34	33
Hardwood:		
Rail sidings & woodyards	59	56
Millyards	41	44
All species:		
Rail sidings & woodyards	64	65
Millyards	36	35